

SENATE BILL 694
By Cooper

AN ACT to amend Tennessee Code Annotated, Title 3;
Title 4; Title 29; Title 33; Title 36; Title 37; Title 41;
Title 47; Title 49; Title 50; Title 56; Title 63; Title 68
and Title 71, relative to medical assistance.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1.

(a) If subsection (b) does not apply, then on or before September 15, 2005, the comptroller of the treasury shall report to the select oversight committee on TennCare on the effects of substantially reducing the expansion population of the TennCare waiver or of terminating the TennCare waiver program for providing medical assistance under title 71, chapter 5, part 1, and providing medical assistance pursuant to a managed care Medicaid program operated pursuant to Section 1932 of the federal Social Security Act and Balanced Budget Act of 1997. The report shall analyze the fiscal effect of substantially reducing the expansion population of the TennCare waiver or of a Section 1932 Medicaid program on the medical assistance program of this state, other agencies of state government, local governments, essential community providers of medical and mental health services, other medical and mental health care providers, and on the Medicaid and current expansion populations. The report shall analyze the impact of the applicable federal consent decrees on the medical assistance program. The report shall estimate possible savings and possible additional expenditures of state revenues. The report shall also analyze possible effects on health status of such a program change on the Medicaid population, the current expansion population of enrollees, and the population generally. The report shall identify changes in current state law that may be

advisable if such program changes were to occur and possible implementation difficulties that may arise.

(b) If by September 15, 2005, by executive action the governor has substantially accomplished either the substantial reduction of the TennCare expansion population or terminated the TennCare waiver, the comptroller shall report on the initial impact of such change and report on the topics enumerated in subsection (a).

SECTION 2. Tennessee Code Annotated, Title 71, Chapter 5, Part 1, is amended by adding the following as a new section to be appropriately designated:

71-5-148.

It is the intent of the general assembly that nothing in this part shall require hospital providers to contract with specific managed care organizations in order to receive supplemental payments.

SECTION 3. Tennessee Code Annotated, Section 3-15-509, is amended by adding the following new subsection:

(d) Before the commissioner of health may submit a request for an amendment to the waiver or a renewal of the waiver for the TennCare program or managed care organization contract or contract amendment to the United States department of health and human services, the commissioner shall transmit such proposed amendment to the committee for comment at least thirty (30) days prior to submission of the waiver, contract or amendment to the department of health and human services. No such amendment, contract or renewal request may be submitted or take effect unless the committee has been afforded the opportunity to comment. Since such amendment, contract or renewal requests are legally enforceable when they take effect, the committee shall review such amendments, contract or renewal requests in the same

manner as proposed legislation, subject to the thirty-day period required by this subsection (d).

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.